2 2 JUL 1981



MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM

: James N. Glerum

Director of Personnel

SUBJECT

: Evaluation of CIA Compensation Practices

1. Action Requested: Paragraph 4 contains a recommendation for your approval. (U)

2. Background

A. On 1 July I provided you a concept paper on developing and implementing a CIA Compensation Plan. One phase of the proposed study is to isolate existing compensation problems in the Agency and to identify methods to redress them. My intent was to have my Staff perform and document this review. (AIUO)

The DCI's letter to the House Committee on 14 July regarding

3. Staff Position
A. Although I have the in-house expertise and capability to perform both an evaluation of the existing Agency compensation system and the design and installation of a new plan, the recent discussions with Congressional committee members have convinced me that it may be more beneficial to have the diagnostic phase performed by an outside consultant. An objective review by an independent group would lend more credence to the need for a CIA Compensation Plan and for establishing a proper linkage between salaries of CIA and other Intelligence Community civilians. There is ample precedent for this

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B. My intent would be to have the consultant study focus on the following paraged For February See 2005/07/14: CIA-RDP92-00420F	
- A diagnostic study to identify existing compensation problems in the Agency. (U)	i
	25X ⁻
- A quantitative assessment of the extent to which the GS Schedule has adequately facilitated recruitment and internal career management objectives and needs of the Agency in general. (U)	
- If indicated from the review and analysis, identify and recommend options for needed modifications to existing compensation systems. (Actual development/modifications to pay system are to be developed and implemented by the Office of Personnel Position Management and Compensation Division.) (U)	
C. It is estimated that the study would be completed within 90 days following security clearances for the individuals performing the study. The approximate cost will be The Comptroller has agreed to make the necessary funding available. (AIUO)	25X 25X
firms in the nation. I have informally discussed this sole source contract with the Director of Logistics who has interposed no objection. (AIUO)	
4. Recommendation	
It is recommended that you approve a consultant contract with Towers, Perrin, Forster and Crosby to perform a pay comparability study as outlined in paragraph 3 above. (AIUO)	
✓James N. Glerum	25X1
APPROVED	
Deputy Director of Central Intelligence	25X ⁻

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Approved For see 2005/07/14 : CIA-RDP92-00420 100020022-7

SUBJECT: Evaluation of CIA Compensation Practices

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